

**IMPLEMENTING ARRANGEMENT
REGARDING
LOCAL CIVILIAN LABOR
IN IMPLEMENTATION OF THE AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF BULGARIA
AND
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
ON DEFENSE COOPERATION**

Pursuant to Article XXXII of the "Agreement Between the Government of the Republic of Bulgaria and the Government of the United States of America On Defense Cooperation", signed in Sofia on April 28, 2006 (hereinafter, "the Agreement"); and

Recognizing the United States forces' responsibility as the legal employer of local civilian labor, it is agreed as follows:

1. The United States forces shall determine the numbers, duties, qualifications, and suitability of persons to be hired to perform its mission (which for purposes of this Implementing Arrangement shall include Military Service Activities as defined in Article XXIII of the Agreement). The United States forces shall establish administrative policies and procedures necessary for effective management, utilization, and supervision of United States forces locally hired employees in the Republic of Bulgaria. As a general rule, conditions of employment and work for the locally hired employees in the Republic of Bulgaria will be patterned on Bulgarian labor legislation except as provided herein. The United States forces may recruit and employ individuals present within the Republic of Bulgaria, including United States forces dependents. When a permit for individual employment is necessary, it shall be issued in accordance with Bulgarian legislation. There shall be no limitation to the number of United States forces dependents that may be hired.

2. Establishment and modification of a job grading system, wages and salaries, as well as benefits and supplementary payments paid to locally hired employees in the Republic of Bulgaria by the United States forces shall be within the sole authority of the United States forces. In all cases, the United States forces will periodically review wages and salaries based on a survey of prevailing wages and salaries within the Republic of Bulgaria. Such compensation and adjustments shall not be subject to binding arbitration or third party intervention. Such compensation and adjustment thereto shall meet the requirements for minimum wage, according to the Bulgarian legislation, and maximum wage, according to the applicable United States forces rules. The United States forces shall pay social insurance contributions for pensions, other social insurance, benefits, and unemployment insurance, as the legal employer of locally hired employees in the Republic of Bulgaria.

3. The United States forces may terminate employment of locally hired employees in the Republic of Bulgaria upon a determination that continued employment is inconsistent with United States forces' military requirements. Therefore, the United States forces may terminate locally hired employees in the Republic of Bulgaria for disciplinary, performance, when it is objectively impossible to fulfill the contract of employment (this could include incompatibility with security requirements), and organizational reasons, in accordance with the Bulgarian Labor Code.

4. Conditions of work and employment for locally hired employees in the Republic of Bulgaria set by United States forces shall be consistent with and no less favorable than those required by the Bulgarian Ministry of Defense. Access of labor inspectors to United States forces controlled areas and activities shall be implemented by procedures set by the commander of the United States forces in the Republic of Bulgaria or his designee. Labor inspections conducted on United States forces controlled agreed facilities and areas will be consistent with and shall follow the procedures applicable to the Bulgarian Ministry of Defense. Reports and findings will be brought to the attention of the commander of the United States forces in the Republic of Bulgaria or his designee.

5. Employees shall be treated fairly in all respects and shall be free from restraint, interference, coercion, discrimination, or reprisal in the presentation of complaints, grievances, and appeals. Prompt action shall be taken to address complaints and provide employees appropriate information on the matter. The provisions of this paragraph shall also apply to all complaints related to racial, sexual, or other illegal discrimination. The procedures available for redress are set out in Annex 1 to this Implementing Arrangement.

6. The Joint Commission shall oversee implementation of this Implementing Arrangement, including the establishment of a local civilian labor sub-committee.

7. This Implementing Arrangement, including any of its annexes, may be amended in writing at any time, by mutual consent. Amendments will be authenticated in writing.

8. This Implementing Arrangement shall enter into force upon signature and remain in force unless terminated upon one year's written notice. In any event, this Implementing Arrangement shall terminate on the date the Agreement terminates, should that occur.

IN WITNESS THEREOF, the undersigned, being duly authorized, have signed this Implementing Arrangement.

DONE in Sofia, this 28th day of February 2008, in duplicate, in the Bulgarian and English languages, both texts being equally authentic.

**FOR THE GOVERNMENT
OF THE REPUBLIC OF BULGARIA**

FOR THE UNITED STATES

ANNEX 1

COMPLAINT, GRIEVANCE AND APPEAL PROCEDURES

In implementation of the Agreement Article 32, paragraph 4, and for the purpose of paragraph 5 of the Implementing Arrangement, the following procedures shall apply.

1. Definitions:

(a) Complaint. An employee's oral or written expression of dissatisfaction with a particular aspect of working conditions or relationships which is brought voluntarily to the attention of the supervisor for correction.

(b) Grievance. A written request by an employee, or by a group of employees acting as individuals, for personal relief in a matter of concern or dissatisfaction which is subject to the control of management. Grievances do not include any matters which are subject to review outside the United States forces or for which other authorized complaint or appeal systems are prescribed.

(c) Appeal. A written request by an employee for reconsideration of a decision to take adverse action against the employee. An employee's written reply to a notice of proposed adverse action does not constitute an appeal.

2. The following actions or situations are excluded from the complaint, grievance, and appeal procedures:

- The content of published policy.
- Grading/Pay setting determinations.
- Termination of temporary appointments.
- Separations during a trial period.
- Non-adoption of a suggestion, or disapproval of an award, or other discretionary recognition.
- Non-selection for promotion from a group of properly ranked and certified candidates.
- Actions or decisions taken under the personnel security program.
- Actions based on opinions of a competent physician regarding the mental or physical ability of an employee to perform the duties of a position.
- Matters which also involve trade unions or government agency representations, or parliamentary or news media inquiries and requests.

3. Complaints. An employee may present a complaint orally or in writing to his or her immediate supervisor who shall render an impartial decision within 5 workdays of receipt of the complaint. If the employee is not satisfied with the immediate supervisor's decision, the immediate supervisor shall, upon the request of the employee, forward the complaint to the next higher supervisor. If the complaint is against or relates to the immediate supervisor the complaint may be addressed in writing to the next higher supervisor. The higher supervisor should render an impartial decision within 5 workdays of receipt of the complaint. An employee who is dissatisfied with the decision shall be advised of the right to submit a grievance within 5 workdays after receipt of the decision.

4. Grievances. Grievances must be filed not later than 15 calendar days after the date on which the employee learns of a condition, activity or action which adversely affects the employee. Grievances concerning a continuing practice or condition may be presented at any time. Grievances must be submitted in writing to the Commander of United States forces in the Republic of Bulgaria, or his designee. The grievance must contain a clear and concise statement of the subject matter; the relief sought; the results of any prior discussions of the matter with supervisors; the reasons why the employee believes the relief sought should be granted; and whether a meeting is desired. The Commander or his designee may appoint a management

official to investigate the grievance, if determined necessary, within 10 workdays of receipt. The Commander or his designee will determine if a meeting is necessary, and should render a written decision to the employee no later than 15 workdays from initial receipt of the grievance or appeal.

5. Appeals. Appeals must be filed not later than 15 calendar days after the date on which notification of an adverse action decision was received. However, appeals involving a separation action may be filed at any time from the date of receipt of the notice of decision up to, but not later than, the effective date of the separation action. Appeals must be submitted in writing to the Commander of United States forces in the Republic of Bulgaria or his designee. The appeal must contain a clear and concise statement why the adverse action should not be taken, the requested relief, and reasons why the relief sought should be granted. The Commander or his designee may appoint a management official to investigate the appeal, if determined necessary, within 10 workdays of receipt. The Commander or his designee should render a written decision to the employee no later than 15 workdays from initial receipt of the appeal.

6. An employee who files a claim or a complaint before a Bulgarian Court, may not use the procedures of this annex.